

Pittsburg State University

Pittsburg State University Digital Commons

Pittsburg Micropolitan Reports

Business and Economic Research Center
(BERC)

1-1-2017

The Pittsburg Micropolitan Area Economic Report, Quarter 4, 2017

Pittsburg State University. Gladys A. Kelce College of Business

Follow this and additional works at: https://digitalcommons.pittstate.edu/micropolitan_reports

Recommended Citation

Pittsburg State University. Gladys A. Kelce College of Business, "The Pittsburg Micropolitan Area Economic Report, Quarter 4, 2017" (2017). *Pittsburg Micropolitan Reports*. 17.
https://digitalcommons.pittstate.edu/micropolitan_reports/17

This Article is brought to you for free and open access by the Business and Economic Research Center (BERC) at Pittsburg State University Digital Commons. It has been accepted for inclusion in Pittsburg Micropolitan Reports by an authorized administrator of Pittsburg State University Digital Commons. For more information, please contact lfthompson@pittstate.edu.

THE PITTSBURGH MICROPOLITAN AREA ECONOMIC REPORT

Local Economic Development Bears Fruit

AS THE SEAT of the Pittsburgh Metropolitan Area, the city of Pittsburgh is the anchor for economic growth in the region. Approximately 42.1 percent of the population in Pittsburgh work in blue-collar occupations, while 57.9 percent work in white-collar occupations. Pittsburgh derives revenues primarily from sales and property taxes; consequently, growth of the middle class and financially stable households are the foundation for a healthy city and the continued, sustained economic growth of the region.

An increase in middle income households results in a more sustained demand for goods and services, higher lifetime educational attainment, higher earn-

ings, less income inequality, increased growth in entrepreneurial activity, and overall higher local quality of life. Both household income and employment are increasing locally. *DemographicsNow* reports that during the 2010-2017 period, the number of households with income of \$50,000-\$100,000 increased 11 percent in Pittsburgh (10.2 percent in the Pittsburgh Micropolitan Area), which is well above a 4.4 percent increase statewide and a 5.2 percent increase nationwide.

The data suggest that household financial position has seen greater improvement locally than nationwide, especially since late 2012. During the twelve-month period ending in Sep-

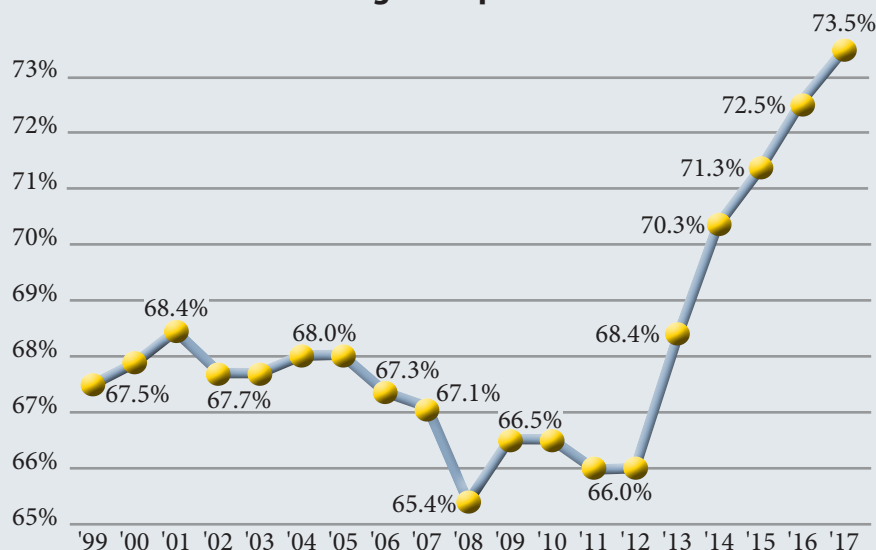
tember 2017, 7.4 personal bankruptcy cases were filed per 10,000 people in the Pittsburgh Micropolitan Area, down 62.4 percent from September 2012. This is a much better performance than the 22.1 cases per 10,000 people statewide (down 29.5 percent) and 23.5 cases nationwide (down 39.5 percent). Furthermore, data just released by Equifax shows that in July 2017, 73.5 percent of the population in the Pittsburgh Micropolitan Area had a prime FICO credit score (above the sub-prime credit FICO score of 639), which is a gauge of the financial health of the community. This is the highest level by far in the recorded history of the Pittsburgh Micropolitan Area.

INSIDE

- Total Jobs
- Unemployment
- Job by Industry
- Payroll by Industry
- Labor Force
- Taxable Sales
- Residential and Commercial Permits
- Office Space Market
- Commercial Land Values
- Retail Space Market
- Bankruptcies
- Banks, Credit Unions and more . . .



Percent of People with FICO Score Above 639 Pittsburg Micropolitan Area



Source: Equifax Credit Bureau



A financial advisor who keeps in touch

If the market's trending down, your financial advisor's attention toward you should trend up.

Experience the consistent, personal attention I can provide, no matter what's going on in the markets.



John D Ison
Financial Advisor

2597 S Broadway Suite B
Pittsburg, KS 66762
620-231-8604

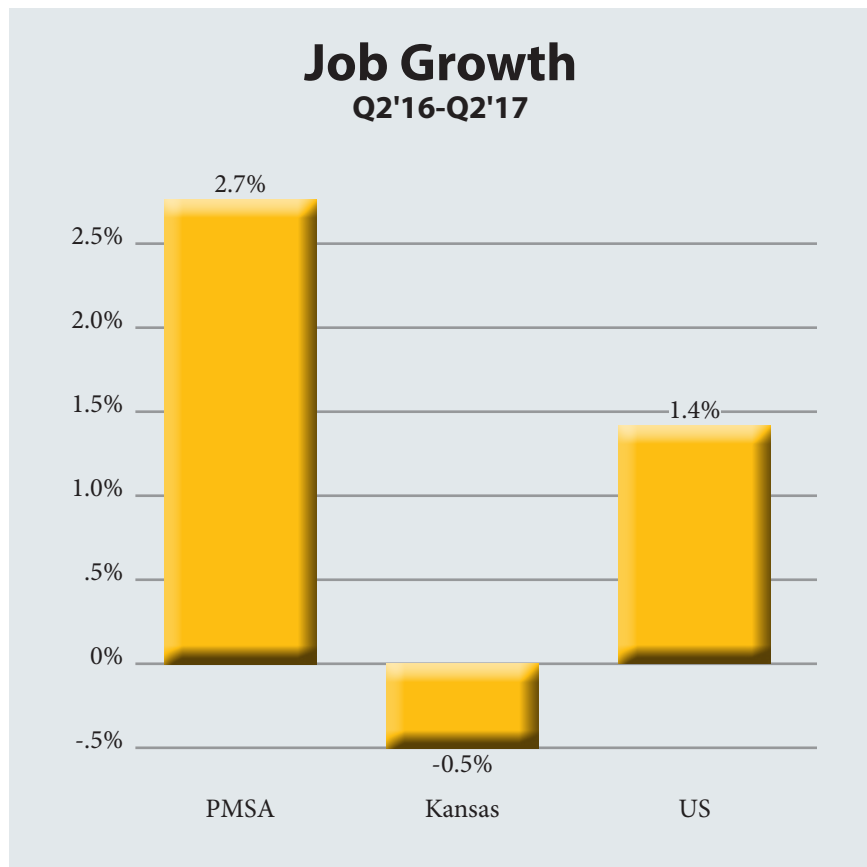
www.edwardjones.com
Member SIPC

Edward Jones[®]
MAKING SENSE OF INVESTING

TOTAL JOBS

In 2017, economic performance picked up significantly in the Pittsburgh Micropolitan Area, with the number of jobs increasing faster than statewide and nationwide in both the first quarter and the second quarter of 2017. The latest available information on the Pittsburgh Micropolitan Area from Bureau of Labor Statistics (BLS) shows that the average number of jobs in the Pittsburgh Micropolitan Area increased to 17,365 during the second quarter of 2017 (up 1.7 percent from the second quarter of 2016), and total quarterly payroll increased to \$146.4 million (up 5.3 percent). The average monthly number of jobs was 3,124 in the goods-producing industries (down 0.2 percent), with a total quarterly payroll of \$31.5 million (up 2.4 percent); the average monthly number of jobs in the service-producing industries was 9,831 (up 2.3 percent), with a total quarterly payroll of \$75.9 million (up 5.1 percent); and the average monthly number of jobs was 4,411 in all levels of government (up 1.6 percent), with a total quarterly payroll of \$39 million (up 5.1 percent).

The number of jobs statewide declined 0.5 percent, with total quarterly payroll increasing 2.0 percent, and the number of jobs nationwide increased 1.4 percent, with quarterly payroll increasing 4.7 percent.

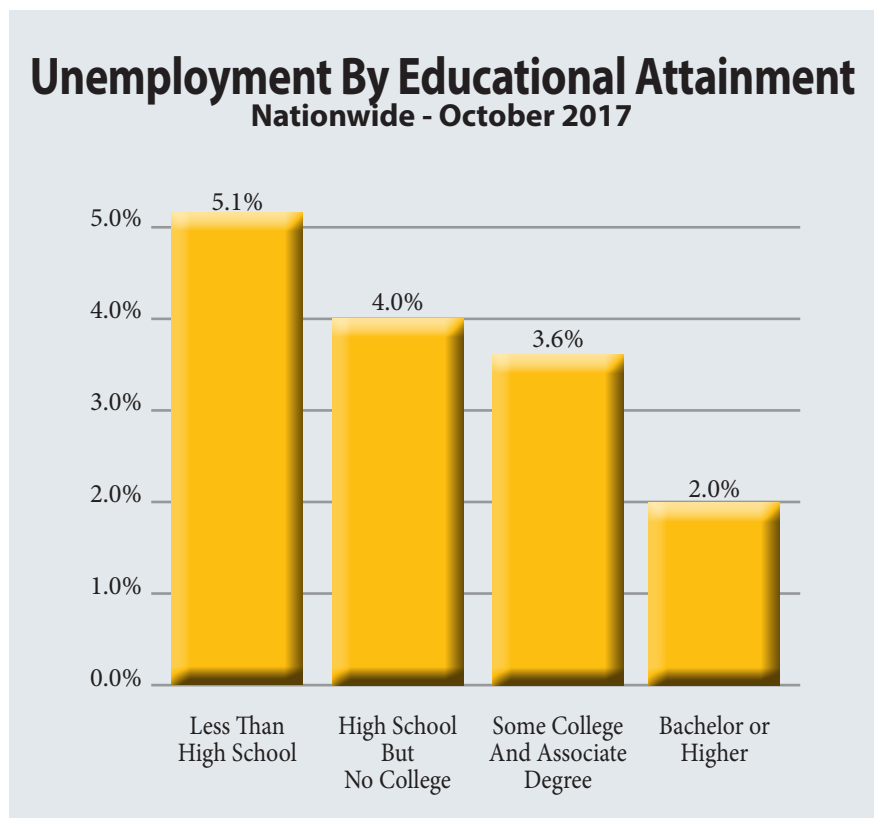


Source: Bureau of Labor Statistics

UNEMPLOYMENT

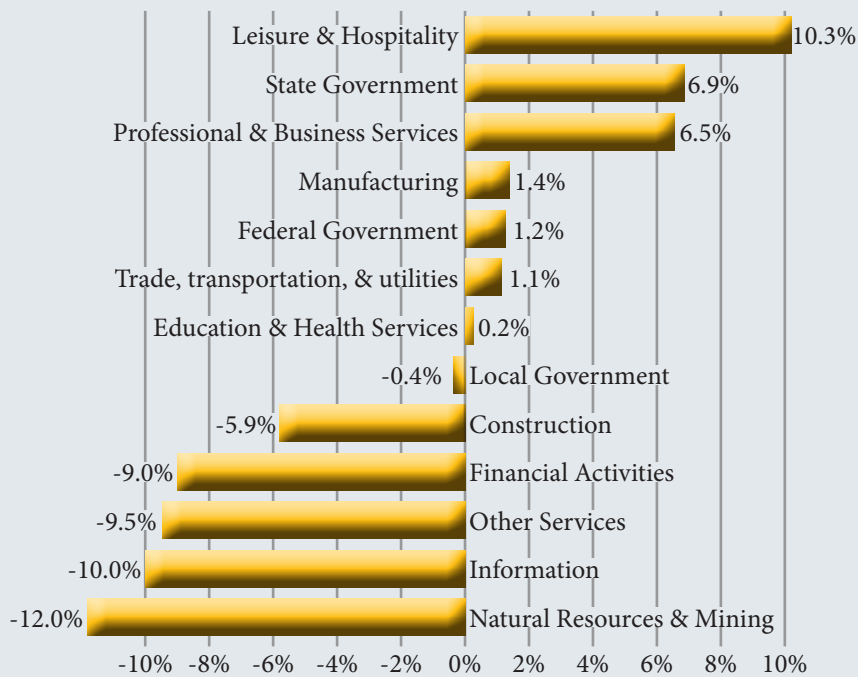
The national unemployment rate declined to 3.9 percent in October 2017, down from 4.7 percent in October 2016. Unemployment was lowest for Asian Americans (2.9 percent), followed by Caucasians (3.3 percent), Hispanics and Latinos (4.6 percent) and African Americans (7.5 percent). Overall, the unemployment rate was 5.1 percent for people with less than a high school diploma, 4.0 percent for people with high school diploma only, 3.6 percent for people with some college and associate degree, and 2.0 percent for people with bachelor's degree or higher.

For the first ten months of the year, average unemployment was 4.4 percent nationwide (down from 5.0 percent during the same period last year), 3.8 percent statewide (down from 4.2 percent), and 4.4 percent in the Pittsburgh Micropolitan Area (down from 4.9 percent). Unemployment stood at 3.0 percent statewide in October (down from 4.0 percent in October 2016) and 3.5 percent in the Pittsburgh Micropolitan Area (down from 4.7 percent). Numerous local firms are looking for skilled or semi-skilled labor and report that have increased up to 10 percent in 2017 for some occupations.



Source: Bureau of Labor Statistics

Job Growth By Industry Pittsburg Micropolitan Area Q2'16 - Q2'17



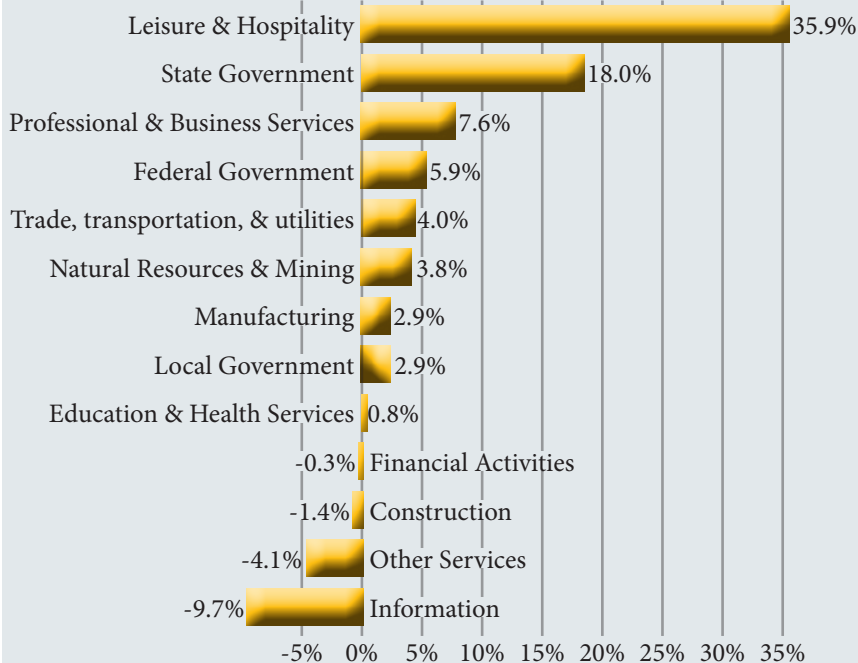
Source: Bureau of Labor Statistics

JOBS BY INDUSTRY

The fastest growing industry in the Pittsburg Micropolitan Area during the second quarter was Leisure and Hospitality, with 2,105 jobs (up 10.3 percent from the second quarter of 2016), followed by State Government, with 1,166 jobs (up 6.9 percent); Professional and Business Services, with 1,392 jobs (up 6.5 percent); Manufacturing, with 2,587 jobs (up 1.4 percent); Federal Government, with 83 jobs (up 1.2 percent); Trade, Transportation, and Utilities, with 3,127 jobs (up 1.1 percent); and Education and Health Services with 2,290 jobs (up 0.2 percent).

Six industries lost jobs during the quarter: Local Governments posted 3,161 jobs, down 0.4 percent; Construction posted 449 jobs, down 5.9 percent; Financial Activities posted 457 jobs, down 9.0 percent; Other Services (automobile repair, maintenance services, religious services, etc.) posted 225 jobs, down 9.5 percent; Information Services posted 234 jobs, down 10.0 percent; and Natural Resources and Mining posted 88 jobs, down 12.0 percent. Leisure and Hospitality was the fastest growing industry statewide, with 130,553 jobs (up 0.39 percent), and Construction was the fastest growing industry nationwide, with 6.9 million jobs (up 3.3 percent).

Payroll Growth By Industry Pittsburg Micropolitan Area Q2'16 - Q2'17



Source: Bureau of Labor Statistics

PAYROLL BY INDUSTRY

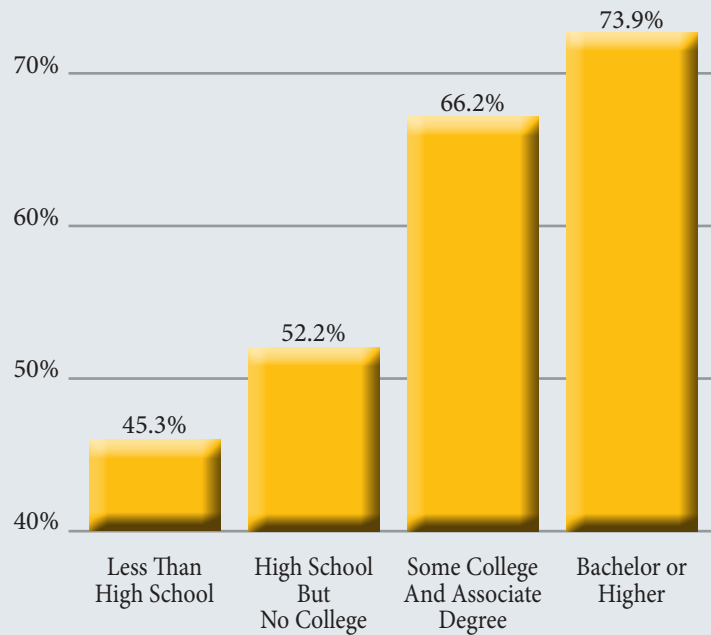
Payroll in the Pittsburg Micropolitan Area is increasing at a very healthy rate, with only four industries reporting a decline in quarterly payroll. The Leisure and Hospitality industry posted a payroll of \$7.6 million during the second quarter of 2017 (up a significant 35.9 percent from the second quarter of 2016, due in large part to the opening of the Kansas Crossing Casino), followed by State Government, \$15 million (up 18.0 percent); Professional and Business Services, \$12.9 million (up 7.6 percent); Federal Government, \$982,328 (up 5.9 percent); Trade, Transportation, and Utilities, \$25.6 million (up 4.0 percent); Natural Resources and Mining, \$1.1 million (up 3.8 percent); Manufacturing, \$26.4 million (up 2.9 percent); Local Government, \$23.1 million (up 2.9 percent); Education and Health Services, \$21.1 million (up 0.8 percent); Financial Activities, \$4.6 million (down 0.3 percent); Construction, \$4 million (down 1.4 percent); Other Services (automobile repair, maintenance services, religious services, etc.), \$1.5 million (down 4.1 percent); and Information Services, \$2.8 million (down 9.7 percent). State Government posted the fastest growth in payroll statewide (up 11.1 percent), and the Federal Government had the highest growth nationwide (up 10.9 percent).

LABOR FORCE

The national labor force increased to 160 million in October 2017, up 0.4 percent from October 2016. Economic growth continues to improve nationwide in 2017, but despite the improving economy, labor force participation is still well below what it was in 2007, before the recession. The labor force participation rate in October was highest for Hispanics and Latinos (65.6 percent), followed by Asians (63.3 percent), African Americans (62.6 percent), and Caucasians (62.6 percent). Overall, the labor force participation rate was 45.3 percent for people with less than high school diploma, 57.2 percent for people with high school diploma only, 66.2 percent for people with some college and associate degree, and 73.9 percent for people with bachelor's degree or higher. Approximately 10.7 percent of the labor force is unionized: 10.5 percent of Caucasians, 13.0 percent of African Americans, 9.0 percent of Asians, and 8.8 percent of Hispanics and Latinos.

The labor force stood at 1,490,265 statewide in October (up 0.4 percent), and 19,422 in the Pittsburgh Micropolitan Area (up 2.2 percent).

Labor Force Participation by Educational Attainment Nationwide - October 2017



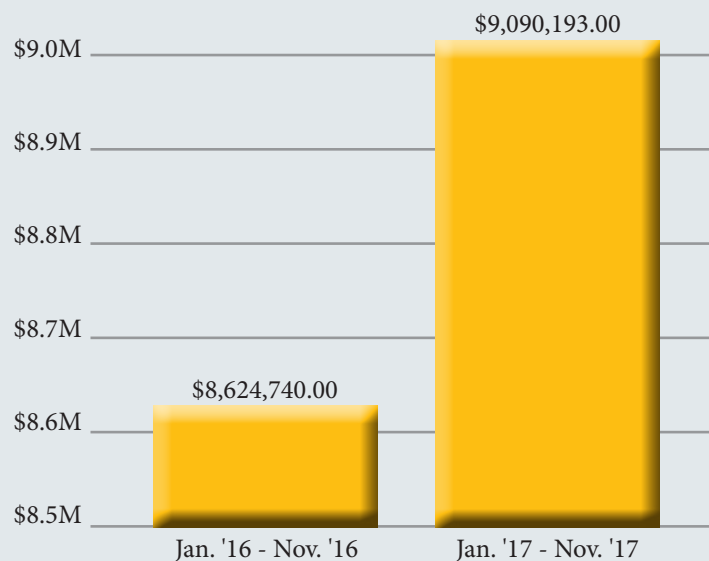
Source: Bureau of Labor Statistics

TAXABLE SALES

Sales are increasing at record levels in the Pittsburgh Micropolitan Area. The Kansas Department of Revenue (KDR) reports that sales tax collections in the City of Pittsburgh increased to a record \$9.1 million during the first 11 months of 2017, up 5.4 percent from the same period in 2016. Furthermore, a study recently released by the KDR shows that the City of Pittsburgh is indeed a regional center for retail trade and consumer services. The study analyzed retail trade pull and found that the income-adjusted retail trade pull factor for Pittsburgh was 1.67, meaning that the population in Pittsburgh would have to be 67 percent larger if all the consumption was local.

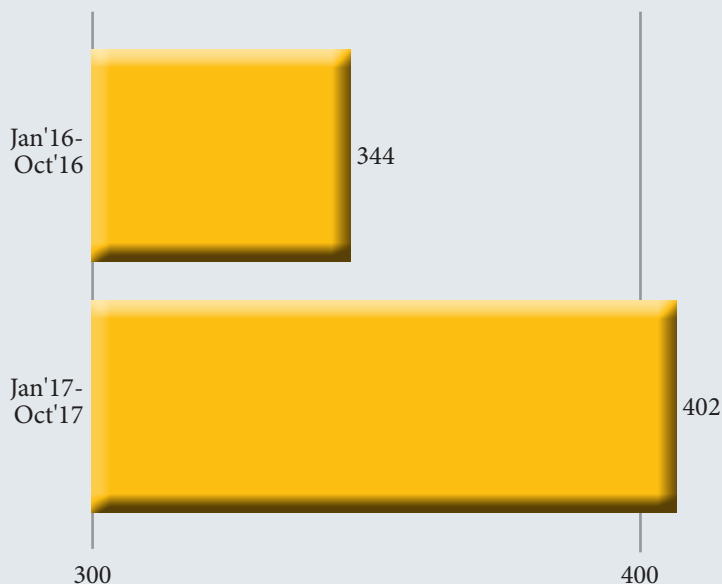
Only one city in Kansas with a population over 10,000 had larger income-adjusted retail trade pull and that was Garden City. This finding is consistent with a recently released study by the National League of Cities (NLC), which shows Pittsburgh has a city character more consistent with a population in the 50,000-100,000 range. The NLC study analyzed economic, social, and geographic characteristics of cities nationwide.

Growth in Sales Tax Collections City of Pittsburgh



Source: Kansas Department of Revenue

Housing Sales Pittsburg Micropolitan Area



Source: Pittsburg Area Board of Realtors

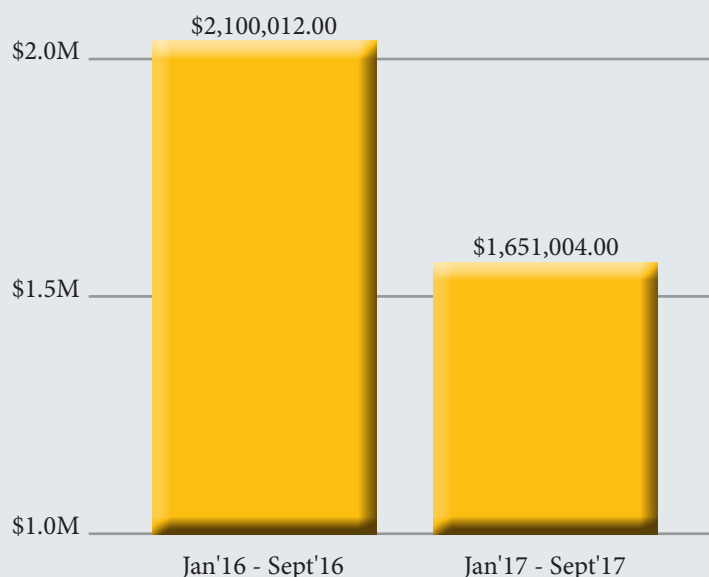
RESIDENTIAL PERMITS

Home sales are up significantly in the Pittsburg Micropolitan Area, with 402 homes sold during the first ten months of 2017 (up 16.9 percent from the first ten months in 2016 and well above the 4.6 percent increase nationwide and the 4.6 percent decrease statewide) for an average price of \$98,462 (up 0.8 percent).

Homes are selling faster, with the median home selling in 87 days, down from 104 days last year. In October 2017, 36 homes were sold (up 12.5 percent from October 2016) for an average selling price of \$91,546 (down 2.4 percent). Of the homes sold, the selling price was less than \$100,000 for 23 homes; between \$100,000 and less than \$200,000 for 10 homes; and \$200,000 or more for three homes.

The City of Pittsburg reports that three new single family residential permits were issued during the third quarter of 2017, with a stated value of \$189,500 (down 19.4 percent from the third quarter in 2016), and 24 permits were issued for additions, alterations, and conversions, for a stated value of \$254,148 (down 29.6 percent).

Value of New Commercial Building Permits City of Pittsburg



Source: City of Pittsburg

COMMERCIAL PERMITS

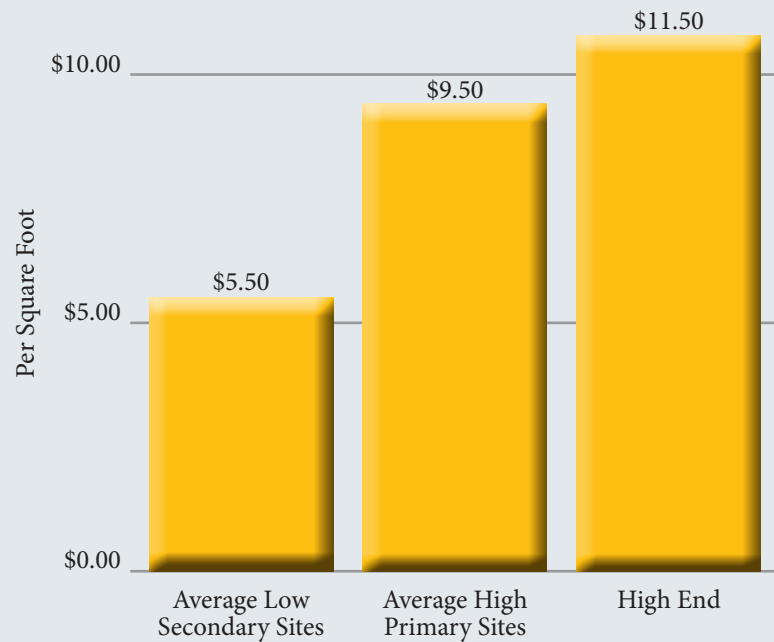
Commercial permit activity in the Pittsburg area has slowed in 2017, from the record activity in 2016. Several big permits were issued for local construction in 2016, including some of the permits for the construction of the \$80 million Kansas Crossing Casino which opened last March. Overall, 34 permits were issued by the City of Pittsburg during the third quarter of 2017, for a face value of \$3.1 million, down 33.4 percent from the third quarter of 2016.

One new commercial permit was issued to Arvest Bank for a 4,000 square foot building with a face value of \$1.7 million (down 21.4 percent), and 33 permits were issued for additions, alterations, and conversions, for a stated value of \$1.4 million (down 43.4 percent). The City of Pittsburg, in cooperation with Pittsburg State University, is now in the midst of redeveloping downtown, with the Block 22 project, a roughly 71,700 square foot development that will include mixed retail, office, and residential space at the corner of 4th and Broadway. Currently 99 apartments are in the pipeline. Employment has also increased in the downtown area, and the Pittsburg Area Chamber of Commerce is now looking for a restaurant to locate downtown.

THE OFFICE SPACE MARKET

Jones Heritage Realtors (a local authority on commercial real estate markets) reports that the Pittsburg area housing market is doing relatively well, with the gross median office rental rate starting at \$5.50 per sq. ft. at secondary sites, increasing to \$9.50 for primary sites, and going as high as \$11.50 for high-end sites. Pittsburg is the center of business and personal services for South-east Kansas. More than 70 percent of the jobs in the City of Pittsburg are filled by people who commute into the city, so the daytime population swells significantly. A recently released study by the National League of Cities (NLC), shows that Pittsburg has a city character more consistent with a population in the 50,000-100,000 range. The NLC study analyzed economic, social, and geographic characteristics of cities nationwide. Several major companies have their headquarters in Pittsburg, including Miller's Professional Imaging (annual sales of \$120-\$130 million), Jake's Fireworks (\$20-\$50 million), and Watco Mechanical Services (\$1-\$2.5 million). Moreover, NPC International (which owns and manages over 1,150 Pizza Hut and 180 Wendy's restaurants) has most of its functional specializations (accounting and IT) located in Pittsburg

Office Space Rental Rates Pittsburg Area - November 2017



Source: Jones Heritage Realtors

COMMERCIAL LAND VALUES

The average commercial land price of secondary sites is \$2.00 per sq. ft according to Jones Heritage Realtors, increasing to an average high of \$7.50 at primary sites, and going as high as \$10.00 per sq. ft. for high end sites.

The Commercial land market is doing relatively well with numerous retail and restaurant businesses expanding to Pittsburg lately. The commercial land market was active in 2017 with 17 sales as of the end of November.

These transactions include: a large office building located at 824 East 4th Street (8,890 sq. ft plus basement on 58,350 sq. ft. site) with 192 ft. frontage, sold for \$485,000; a 6000 sq. ft. public type building located at 706 North Broadway on a 17,000 sq. ft. site with large paved parking lot, sold for \$200,000; a 6,000 sq. ft. retail building located at 1123 South Broadway, sold for \$175,000; a 40,890 sq. ft. South Broadway frontage with an old office building (restricted frontage available), sold for \$165,000; and 24,000 sq. ft. warehouse on a 64,940 sq. ft. site on North Pine in the general downtown area, sold for \$155,000.

Commercial Land Values Pittsburg Area - November 2017



Source: Jones Heritage Realtors

Retail Space Rental Rates

Pittsburg Area - November 2017



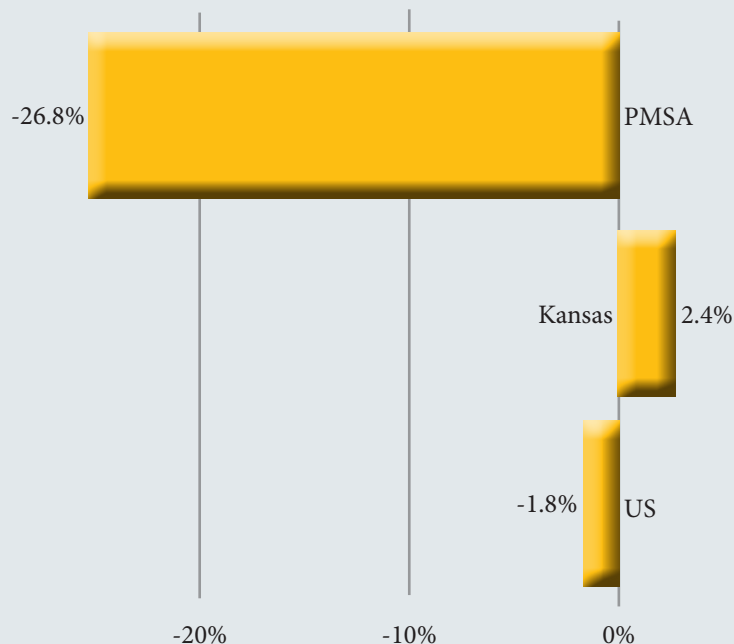
Source: Jones Heritage Realtors

THE RETAIL SPACE MARKET

The net median rental rate for retail space starts out at \$6.00 per sq. ft. at secondary sites according to Jones Heritage Realtors, increases to \$11.00 for primary sites, but can go as high as \$13.50 for high-end sites. The share of online retail sales out of local retail sales is only 1.3 percent, compared to 10.2 percent nationwide, which bodes well for local retailers. There are plenty of good opportunities for retail in Pittsburg. The retail trade pull to Pittsburg is increasing, according to the Kansas Department of Revenue. It was 1.54 in 2016 and increased to 1.67 in 2017. This trend is expected to continue. The new Kansas Crossing Casino is expected to attract more than 400,000 non-local visitors annually, and some of the casino visitors are bound to visit local retailers. Furthermore, a 2011 TranSystems study found that traffic on Highway 69 into Pittsburg is increasing about 25 percent every ten years and 100 percent compounded in 30 years. Additionally, a study done by the Hoffman Strategy Group/Jeff Green Partners in 2013 found that there is over \$62 million in untapped potential retail sales in the Pittsburg retail trade pull area.

Growth In Bankruptcies

12 months ending Sep'16 to 12 months ending Sept'17



Source: US Bankruptcy Courts

BANKRUPTCIES

Bankruptcies continue to decline locally, with 30 bankruptcies filed in the Pittsburg Metropolitan Area during the twelve-month period ending in September 2017, down 26.8 percent from the twelve-month period ending in September 2016. A total of 29 personal bankruptcies were filed (down 25.6 percent) and one business bankruptcy, down from two business bankruptcies last year. By contrast, total bankruptcies are up 2.4 percent state-wide, with 6,529 personal bankruptcies filed during the period (up 3.7 percent), and 182 business bankruptcies filed (down 28.6 percent). It is currently estimated that half of all households in the United States live paycheck to paycheck, and one third would have a problem coming up with \$2000 if they needed it in an emergency.

Many households have not recovered since the 2007 recession due to lackluster economic growth nationwide over the last eight years. Nevertheless, total bankruptcies are declining nationwide, with 790,830 bankruptcies filed during the period, down 1.8 percent. Of bankruptcies filed, 767,721 were personal bankruptcies (down 1.7 percent) and 23,109 were business bankruptcies (down 5.5 percent).

ArtForms Gallery, LLC
620 N. Broadway
Pittsburg, KS 66762
620-240-0165



Hours:
Tues-Fri 11-7
Saturday 9-7
Sunday 11-4



Textiles & Fiber Arts

**Artwork by
Local Artists**



Jewelry



Baskets
and Gourds

**Classes for
Adults and Kids**

**Free
Drawing Classes**



Classes



Forged Metal and
Sculpture

Parties and Events

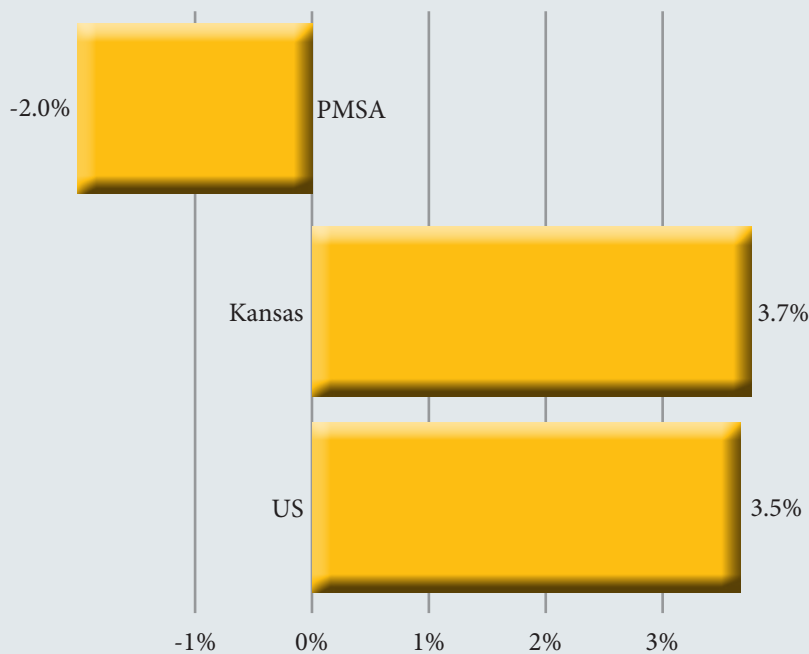


Paintings
and
Photography



Ceramics and Glass

Growth in Net Loans and Leases Banking Industry Q2'16-Q2'17



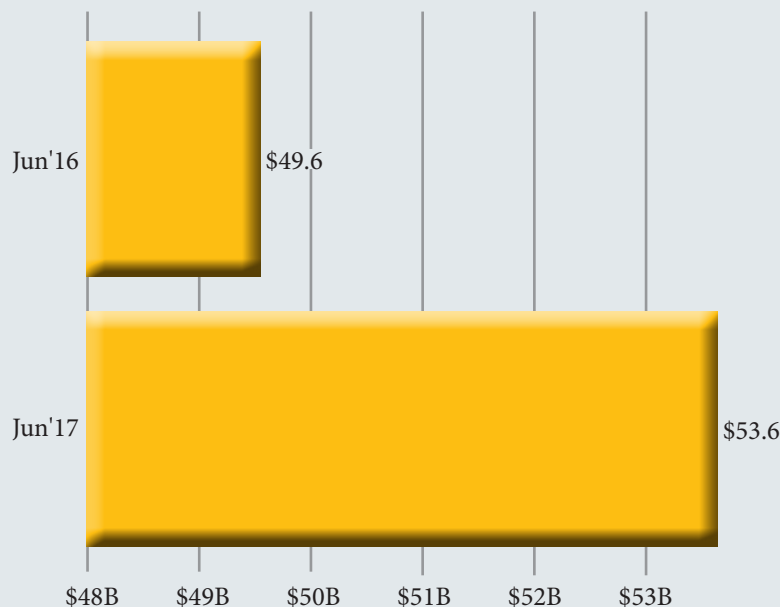
Source: Federal Deposit Insurance Corporation

THE BANKING INDUSTRY

The national banking industry did well during the third quarter of 2017, according to the Federal Deposit Insurance Corporation (FDIC), with only 3.82 percent of all institutions unprofitable during the third quarter, (down from 4.0 percent from the third quarter of 2016).

Overall, the national banking industry posted \$17.4 trillion in total assets during the first quarter of 2017 (up 2.8 percent), \$9.5 trillion in net loans and leases (up 3.5 percent), \$114.6 billion in non-current loans and leases (down 10.3 percent), and \$139.6 billion in net operating income (up 4.0 percent). Banks with headquarters in Kansas posted \$68.6 billion in total assets (up 1.2 percent), net loans and leases of \$44.6 billion (up 3.7 percent), \$381.9 million in non-current loans and leases (down 32.0 percent), and net operating income of \$543.6 million (up 62.1 percent). Banks with headquarters in the Pittsburgh Micropolitan Area posted \$709.1 million in total assets (down 1.6 percent), net loans and leases of \$474.7 million (down 2.0 percent), \$13.4 million in non-current loans and leases (up 132.5 .0 percent), and net operating income of \$5.2 million (down 22.1 percent).

Unsecured Credit Card Loans Nationwide Credit Union Industry



Source: National Credit Union Administration

THE CREDIT UNION INDUSTRY

The difference between credit unions and banks is that credit unions are tax-exempt and specialize in short term consumer loans and mortgage lending. Because they are tax-exempt they can accept more risk. Many households rely on credit cards during the Christmas season with the intention of paying down credit card balances during the year. The National Credit Union Administration reports that credit unions nationwide are increasing credit card loans at a healthy rate in 2017.

The amount of unsecured credit card loans issued by credit unions nationwide increased to \$53.6 billion at the end of the second quarter (latest available), up 8.1 percent from the same period last year.

The local credit union industry is doing well in 2017. Credit unions with headquarters in the Pittsburgh Micropolitan Area reported total assets of \$92.5 million at the end of June (up 8.1 percent from the same period last year), \$69.0 million in net loans and leases (up 12.9 percent), \$478,511 in net operating income (up 62.2 percent), and \$159,274 in delinquent loans and leases (down 47.8 percent).

Pittsburg Micropolitan Area Business Summary

	2017 Employees	Percent	2017 Establish- ments	Percent	Average Employee size
MAJOR INDUSTRIES					
Forestry, and Fishing	212	1.3%	53	4.0%	4.0
Mining	27	0.2%	4	0.3%	6.8
Construction	562	3.4%	72	5.5%	7.8
Manufacturing	2,032	12.4%	65	5.0%	31.3
Transportation, Communications, Electric, Gas, & Sanitary Services	1,318	8.1%	67	5.1%	19.7
Wholesale Trade	643	3.9%	60	4.6%	10.7
Retail Trade	3,584	21.9%	254	19.4%	14.1
Finance, Insurance, & Real Estate	495	3.0%	106	8.1%	4.7
Services	6,385	39.0%	572	43.7%	11.2
Public Administration	1,100	6.7%	57	4.4%	19.3
TOTAL	16,358	100.0%	1,310	100.0%	13
SUB INDUSTRIES					
Manufacturing	2,032	12.4%	65	5.0%	31.3
Food and Kindred Products	415	2.5%	5	0.4%	83.0
Tobacco Products	0	0.0%	0	0.0%	N/A
Textile Mill Products	0	0.0%	0	0.0%	N/A
Apparel, Finished Prdcts from Fabrics and Similar Materials	19	0.1%	4	0.3%	4.8
Lumber and Wood Products, Except Furniture	7	0.0%	3	0.2%	2.3
Furniture and Fixtures	5	0.0%	1	0.1%	5.0
Paper and Allied Products	472	2.9%	3	0.2%	157.3
Printing, Publishing and Allied Industries	287	1.8%	6	0.5%	47.8
Chemicals and Allied Products	106	0.7%	3	0.2%	35.3
Petroleum Refining and Related Industries	0	0.0%	0	0.0%	N/A
Rubber and Miscellaneous Plastic Products	79	0.5%	2	0.2%	39.5
Leather and Leather Products	0	0.0%	0	0.0%	N/A
Stone, Clay, Glass, and Concrete Products	60	0.4%	3	0.2%	20.0
Primary Metal Industries	10	0.1%	1	0.1%	10.0
Fabricated Metal Prdcts, Except Machinery & Transport Eqpmnt	117	0.7%	7	0.5%	16.7
Industrial and Commercial Machinery and Computer Equipment	227	1.4%	14	1.1%	16.2
Electronic, Elctrl Eqpmnt & Cmpnts, Excpt Computer Eqpmnt	161	1.0%	5	0.4%	32.2
Transportation Equipment	6	0.0%	2	0.2%	3.0
Mesr/Anlyz/Cntrl Instrmnts; Photo/Med/Opt Gds; Watches/Clocks	1	0.0%	1	0.1%	1.0
Miscellaneous Manufacturing Industries Services	60	0.4%	5	0.4%	12.0

Source: Bureau of Labor Statistics

Lodging Revenue

Pittsburg Micropolitan Area – 2017

Month	2016	2017	Change
January	\$416,843	\$453,280	8.7%
February	\$469,217	\$494,976	5.5%
March	\$542,862	\$653,138	20.3%
April	\$519,656	\$680,956	31.0%
May	\$540,858	\$698,745	29.2%
June	\$530,810	\$649,450	22.4%
July	\$539,369	\$712,622	32.1%
August	\$551,431	\$672,374	21.9%
September	\$509,495	\$719,770	41.3%
October	\$520,187	\$704,130	35.4%
Year To Date	\$5,142,744	\$6,441,458	25.3%

Source: The Council for Community and Economic Research

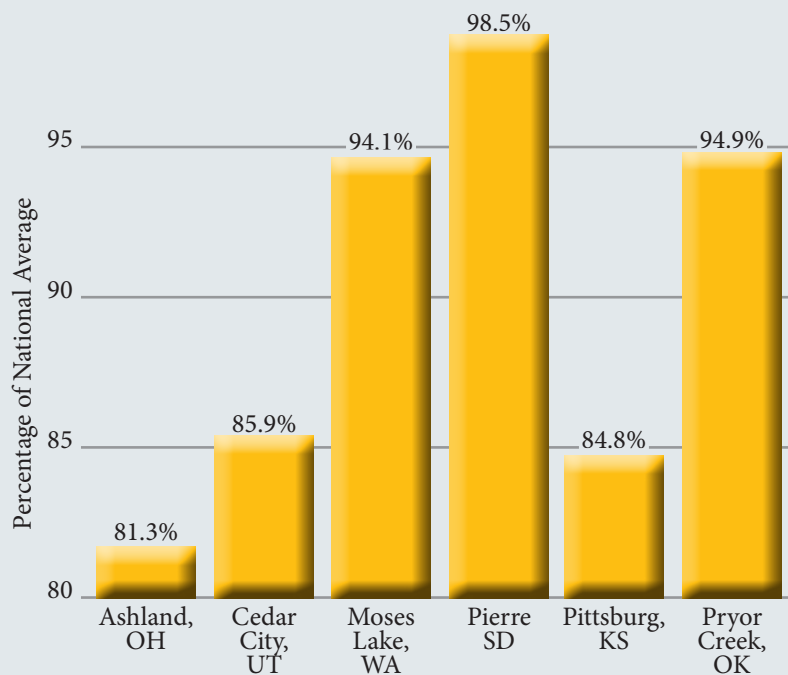
THE LODGING INDUSTRY

The Pittsburg Micropolitan Area lodging industry is doing very well according to Smith Travel Research. The local industry posted an average daily room rate of \$82.90 during the first 10 months of 2017 (up 3.2 percent from the same period in 2016), sold 77,634 room nights (up 21.4 percent) and posted a total room revenue of \$6.4 million (up 25.3 percent). There is a substantial optimism in the local lodging industry, and the industry is expanding. The catalyst for this optimism is the new Kansas Crossing Casino, which began operations last March and has 16 gaming tables, 625 slot machines, a 600-seat entertainment complex and a 123-bed Hampton Inn hotel. The Casino is projected to draw around 500,000 visitors annually.

Total room supply in the local industry increased 22.3 percent during the period, which put a downward pressure on the occupancy rate; the average occupancy rate during the period was 53.7 percent (down from 54.1 percent in 2016). The overall lodging industry in Southeast Kansas reported \$11.9 million in room revenue during the period (down 5.8 percent), and the state-wide industry posted \$700.5 million (up 1.5 percent).

Cost of Living Compared to the National Average

Pittsburg Micropolitan Area - Q3 '17



Source: The Center for Regional Economic Competitiveness

COST OF LIVING & QUALITY OF LIFE

Cities with high quality of life enjoy access to both urban and natural amenities, as well as low cost of living. The City of Pittsburg is the seat of the Pittsburg Micropolitan Area. Pittsburg area urban amenities include 254 retail, eating, and drinking establishments; 572 service establishments; two performing arts centers (the Bicknell Family Center for the Arts and Memorial Auditorium); a 11,910 capacity NCAA Division II football stadium; three golf courses; a philharmonic orchestra; an opera; and more. Some of the area's many natural amenities include aesthetic backdrops such as walking and biking trails, fourteen parks, and access to eight major lakes and rivers within a one-hour drive.

The local cost of living is also well below the national average. A recent survey by the Council of Community and Economic Research shows that the overall cost of living in Pittsburg was 84.8 percent of the national average during the third quarter of 2017, well below most cities of similar size. People who live in Pittsburg or the Pittsburg area enjoy high quality of life.

BUSINESS HIGHLIGHTS

CHAMBER BEGINS CHILD CARE DISCUSSION

A discussion about childcare capacity in Crawford County held recently included state officials and local industry leaders. Recent area growth has created waiting lists for childcare providers, which can have ramifications on economic and workforce development.

Pitsco STEM Marketing Manager Ruthie Muller said an employee moved to Joplin because she could not get into a quality program; some people have declined job offers after not finding childcare. Without childcare, workers often miss more work, use more personal days, and struggle with scheduling.

The capacity issue is born out of expense, according to providers Ann Elliott, Family Resource Center, and Lorene Hoffman, Pittsburg Community Child Care Learning Center. The costs of training, supplies, overhead and more can add up quickly, making it hard to expand. *Chance Hoener, The Morning Sun, December 1, 2017*

PSU AND CITY SEEK RESTAURANT FOR BLOCK 22

As Block22 moves forward, Pittsburg State University and the City of Pittsburg are looking for a restaurant, which is a key component per PSU Chief Strategy Officer Shawn Naccarato.

Restaurant professionals interested should call PSU's Office of Strategic Initiatives at 620-235-4938. With the PSU students living there, and the increased foot traffic that comes with a project like this and a restaurant on the corner would be a nice addition to the area. Pitt State students say they'd love to see a new restaurant as part of Block 22, especially since many of them will be living there.

On the west side, the first floors of the Commerce and Baxter buildings will be combined. The transformation of downtown Pittsburg is already under way. There is seeing more small businesses opening in downtown, particularly the boutique retail shops, and a significant increase in the number of people working downtown, and Block 22 will add even more jobs to downtown Pittsburg.

Pittsburg State University News Story, November 16, 2017

REECE-NICHOLS PREPARES TO OPEN DOORS IN PITTSBURG

Real Estate Broker Nichole Hamblin moved to Pittsburg from Kansas City where she worked for ReeceNichols, and then in real estate here.

"I wanted to expand to my own building to really work with training as well as serv-

ing the public," Hamblin said.

Hamblin offers training skills to do start-to-finish transactions with clients, plans to employ four to five agents, and may expand to Joplin. Hamblin hopes to offer a mobile application and educational efforts to clients (how to buy a home, staging).

"We want to be more involved than just selling people a house," Hamblin said, she also plans to work with area homebuilders. She said a realtor can benefit the home buyer when building a home, but sometimes is left out of the equation.

Chance Hoener, The Morning Sun, November 10, 2017

TOWN HALL LOOKS AT FUTURE OF SEK HIGHWAYS

A town hall hosted by Economic Lifelines to discuss U.S. Highway 69 and infrastructure growth included industry people, community members, elected officials, as well as Jerry Younger (Kansas Ready Mixed Concrete Assoc.), Dan Scherschligt (Kansas Asphalt Pavement Assoc.), and Michael White (Kansas Contractors Assoc.).

Economic Lifelines Exec. Director Tara Mays said they want to know what needs are and are not being met, as well as transportation beyond the T-Works 10-year project.

T-Works, created in 2010, is a KDOT plan for multiple projects, with 23 (including Highway 69) postponed last year following transfers to help balance the state budget.

During the last session, the Legislature expanded bonding authority to cover \$7.1 billion needed before T-Works expires. Much of the money planned for expansion projects through T-Works will now be used to maintain the existing system.

Pittsburg City Manager Daron Hall said the change cannot wait. White said a committee will be formed, and he advocates putting a new plan into place quickly.

State Rep. Adam Lusker (D-Frontenac) believes putting LLC companies back on the tax roster was a step in the right direction. Hall said it's a priority to make sure transportation funds are not used for other causes.

With more non-fuel vehicles (electric cars), it may be time to revisit how road users are taxed.

"Other states have been looking at a VMT — vehicle miles traveled — tax," Scherschligt said. "That hasn't come up yet, but it could be a possibility." He also said we also may see a tolling as an option, but for most roadways, public funding would still be necessary.

Chance Hoener, The Morning Sun, November 14, 2017

KANSAS CHAMBER IN PITTSBURG FOR INPUT ON STRATEGIC PLAN

The Kansas Chamber of Commerce met with community members and local leaders at Pittsburg State University to discuss business

growth, get feedback as part of their Vision 2025 initiative, and will use gathered data and input to foster business growth.

Topics were: growing the state's talent supply, advancing competitiveness, expanding innovation and entrepreneurship, and improving business infrastructure.

During the talent supply discussion, STEM (science, technology, engineering, and math) was brought up, as well as wages compared to nearby states, and ways to increase soft skills among younger workers.

One hindrance to competitiveness is taxes. Some said Kansas has a bad perception nationally as a "failed tax experiment."

To increase innovation and entrepreneurship, PSU Vice President for Advancement Kathleen Flannery suggested a "new business navigator," so new start-ups could know they were on track with state and local entities.

Kansas Chamber COO Kent Breisner agreed, "Pittsburg State has taken a great step in creating an innovation hub to get young people sharing and following up on ideas."

Much of the infrastructure discussion was about U.S. Highway 69, which has been delayed repeatedly.

Breisner reported that his group discussed mismanagement of money by the state, and would like to see more control of earmarked money.

Chance Hoener, The Morning Sun, November 10, 2017

Pittsburg Micropolitan Area Economic Report

is written and produced by:

Dr. Michael Davidsson
Writer and Editor

Dr. Janet Zepernek
Contributing Editor/Proofreading

Mr. David Oldham
Art Director/Layout

Mr. Zheng Yao Ooi
Economic Development Assistants

with support and direction from

Kelce College of Business
Pittsburg State University

Thanks to our local corporate sponsors

- Edward Jones
- U.S. Cellular
- Art Forms Gallery
- Meadowbrook Shopping Complex

PITTSBURG MICROPOLITAN AREA EMPLOYMENT TRENDS

	Number of Jobs Q2 2016	Number of Jobs Q2 2017	Average Monthly Wages Q2-2016	Average Monthly Wages Q2-2017	Average Jobs Growth	Average Monthly Wages Growth
TOTAL, ALL INDUSTRIES	16,804	17,150	\$604	\$636	2.1%	5.3%
Full-service restaurants	697	765	\$940	\$982	9.7%	4.4%
Limited-service restaurants	745	579	\$958	\$1,032	-22.3%	7.8%
Printing	435	451	\$3,558	\$3,770	3.7%	5.9%
Nursing care facilities, skilled nursing	345	363	\$2,084	\$2,146	5.1%	3.0%
Managing offices	321	346	\$4,270	\$4,647	7.9%	8.8%
Supermarkets and other grocery stores	331	312	\$1,765	\$1,888	-5.7%	7.0%
Continuing care, assisted living facilities	233	236	\$1,599	\$1,655	1.4%	3.5%
Services for the elderly and disabled	210	226	\$1,780	\$1,785	7.6%	0.3%
Commercial banking	201	201	\$3,353	\$3,519	0.2%	4.9%
Child day care services	117	116	\$1,543	\$1,597	-1.1%	3.5%
Offices of physicians	126	112	\$3,480	\$3,926	-10.6%	12.8%
Janitorial services	103	108	\$2,347	\$2,053	5.5%	-12.5%
Offices of dentists	107	108	\$4,513	\$4,777	0.9%	5.8%
Home health care services	86	90	\$2,883	\$2,785	4.6%	-3.4%
Electronics and appliance stores	134	77	\$1,993	\$2,366	-42.4%	18.7%
Postal service	63	67	\$3,655	\$3,773	7.4%	3.2%
Masonry contractors	41	65	\$2,522	\$2,855	56.5%	13.2%
Commercial building construction	57	64	\$2,700	\$3,057	12.9%	13.2%
Automotive parts and accessories stores	59	56	\$1,500	\$1,691	-5.1%	12.7%
Nonresidential masonry contractors	30	46	\$2,786	\$2,902	56.2%	4.2%
Insurance agencies and brokerages	49	44	\$2,651	\$3,260	-10.8%	23.0%
Plumbing and hvac contractors	46	42	\$2,690	\$2,560	-8.6%	-4.8%
Nursery, garden, and farm supply stores	26	42	\$1,339	\$1,233	64.9%	-8.0%
Lessors of residential buildings	46	41	\$1,651	\$1,927	-10.8%	16.7%
Other accounting services	38	40	\$2,767	\$2,919	7.1%	5.5%
Automotive mechanical and electrical repair	35	39	\$2,689	\$2,589	13.5%	-3.7%
Tire dealers	37	38	\$2,696	\$2,805	4.5%	4.0%
Offices of optometrists	36	37	\$2,150	\$2,063	2.8%	-4.0%
Motorcycle, boat, and other vehicle dealers	37	36	\$3,366	\$3,323	-2.7%	-1.3%
Landscaping services	34	35	\$1,526	\$1,762	3.9%	15.5%
Site preparation contractors	39	34	\$2,241	\$2,354	-12.1%	5.0%
Automotive body, interior, and glass repair	34	33	\$2,555	\$2,740	-3.9%	7.2%
Waste collection	29	32	\$1,713	\$1,950	10.2%	13.8%
Solid waste collection	29	32	\$1,713	\$1,950	10.2%	13.8%
All other specialty trade contractors	59	30	\$2,740	\$3,154	-49.4%	15.1%
Other grain farming	27	28	\$3,198	\$3,222	3.7%	0.8%
Oilseed and grain combination farming	27	28	\$3,198	\$3,222	3.7%	0.8%
Management consulting services	13	27	\$5,620	\$3,943	100.0%	-29.8%
Furniture stores	26	23	\$2,448	\$2,403	-10.3%	-1.8%
Exterminating and pest control services	25	23	\$1,695	\$1,845	-5.4%	8.9%

Source: Bureau of Labor Statistics

Without a strong network, your business solutions can't do much.



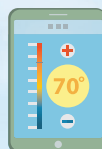
Vehicle Tracking



Business Continuity



E-forms



Remote Monitoring



Mobile Device Management

Our network-powered IoT Business Solutions give you better visibility and control over operations, because we put towers where most others don't, giving you a stronger signal in the Middle of Anywhere.



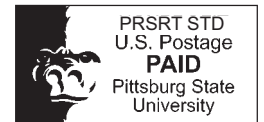
Learn more about our full suite of solutions.

Contact Business@uscpremier.com, call our store or stop in for more details.



Pittsburg
4007 Parkview Drive, Ste. A
Pittsburg, KS 66762
620-308-6206

Pittsburg State University
Department of Economics
1701 S. Broadway
Pittsburg, KS 66762



MEADOWBROOK SHOPPING COMPLEX

202 EAST CENTENNIAL - PITTSBURG, KS 66762

Congratulations

★ ★ 2017 ★ ★

THE MORNING SUN
READERS' CHOICE 2017
Best of Southeast Kansas

Maurices
1st Place Women's Clothing - 2nd Place Department Store
Westco
1st Place Furniture - 2nd Place Mattress Store
Mall Cinema
1st Place Family Amusement
Comeau
1st Place Jewelry
Hibbets
2nd Place Shoe Store
JC Penney
1st Department Store - Childrens Clothing
- Men's Clothing - 2nd Place Womens Clothing
The Buckle
2nd Place Men's Clothing
Cafe Del Rio
2nd Mexican Food
Gusano's
1st Pizza
The Mall Deli
1st place sandwich shop - All around restaurant
- Meal for the Money - 2nd Carryout

LEASING INFORMATION

J. Todd Ewing, VP/GM
(620) 231-9240 | (620) 231- 9259 FAX
pittsburgmail@meadowbrook.kscoxmail.com



MEADOWBROOK MALL

JCPenney	231-2300	Salts & Sweets	381-0730
Goody's.....	235-0147	GNC.....	231-1008
Pittsburg 8 Theater.....	232-2256	Regis Hairstylist	231-0100
Theater Arcade.....	232-2256	Claire's Accessories.....	231-1522
Maurices.....	231-1940	Fashion Nails.....	231-9141
The Buckle.....	231-0210	KS Drivers License.....	231-0711
The Mall Deli.....	231-7590	University Bank ATM.....	231-4200
Cafe Del Rio	232-5895	Game Recycle.....	308-6855
Hibbett Sports.....	232-6760	Horizon Accessories.....	687-3100
Bath & Body Works	232-6589		

HOURS: MON-SAT 10AM TO 9PM
SUN 12-5PM



WESTCO HOME FURNISHINGS
231-8950



MEADOWBROOK COMMONS

Gusano's Pizzeria	308-5461	Advance America	231-4477
Comeau Jewelry Co.	231-2530	Mag-Lab	232-1900
Sally Beauty Supply.....	235-0417	Via Christi Home Med ..	235-0327
OneMain Financial.....	235-0425	Via Christi Beh. Health..	231-1068
U.S. Recruiting Ofc	231-3600	SEK Urgent Care	231-8003
Hospice Compassus	232-9898		



MEADOWBROOK ANNEX

Edward Jones	231-8604
Herron Regional Dental	231-6400
Cryo & Chiropractic.....	308-6576

THE AREAS ORIGINAL ONE STOP SHOPPING SOURCE FOR 48 YEARS !!

www.meadowbrookcomplex.net
twitter.com/pittsburgmall